GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1787
ANSWERED ON:23.08.2007
DEALERSHIP AGREEMENT
Singh Shri Uday

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government is aware of this fact that the oil corporations specially HPCL are having/attempting to get signed two types of dealership agreements i.e. one for A site and second for B site dealership agreement for one RO dealer after its partial resentment of B site dealers from original location;

(b) if so, whether the Government policy permits such state of affairs; and

(c) if not, the steps taken by the Government to issue necessary directions to the oil corporations to have only one type of dealership agreement with one retail outlet dealer?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) to (c):Partial resitements of retail outlet (RO) dealerships were permitted prior to introduction of the new guidelines dated 17.11.2005. The new guidelines provide for full/ complete resitement of RO dealerships.

Hindustan Petroleum Corporation Limited (HPCL) and Indian Oil Corporation Limited (IOC) have reported that in cases of partial resitements carried out under the erstwhile guidelines, in some cases, the dealers were required to sign/execute standard lease agreements of land for each of the bifurcated facilities. However, only one dealership agreement was required to be signed/executed.